

BALL JANIK LLP
ATTORNEYS

1455 F STREET, NW, SUITE 225
WASHINGTON, D C 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@bjllp.com

December 16, 1996

RECORDED INDEXED 20403
DEC 16 1996 2:40 PM

20403 LA, BC
DEC 16 1996 2:40 PM
DEC 16 2 37 PM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of each of the four documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

I. The first document is a Railcar Lease Agreement, a primary document, dated June 20, 1996. We request that the certified copy of this document be recorded under the next available recordation number.

The names and addresses of the parties to the Railcar Lease Agreement are:

Lessor:

Railroad Technology Corporation
447 Battery Street
San Francisco, CA 94111

Lessee:

Consolidated Rail Corporation
2001 Market Street, Room 25A
Philadelphia, PA 19101

A description of the equipment covered by the Railcar Lease Agreement consists of 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive.

Counterpart - [Signature]

II. The second document is Amendment No. 1 to the Railcar Lease Agreement, a secondary document, dated October 18, 1996. We request that the certified copy of this document be recorded under the **A** suffix of the recordation number assigned to the Railcar Lease Agreement.

The names and addresses of the parties to Amendment No. 1 to the Railcar Lease Agreement are:

Lessor:

Railroad Technology Corporation
447 Battery Street
San Francisco, CA 94111

Lessee:

Consolidated Rail Corporation
2001 Market Street, Room 25A
Philadelphia, PA 19101

A description of the equipment covered by Amendment No. 1 to the Railcar Lease Agreement consists of 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive.

III. The third document is a Master Assignment and Assumption Agreement, a secondary document, dated as of November 26, 1996. We request that the certified copy of this document be recorded under the **B** suffix of the recordation number assigned to the Railcar Lease Agreement.

The names and addresses of the parties to the Master Assignment and Assumption Agreement are:

Assignor:

Railroad Technology Corporation
447 Battery Street
San Francisco, CA 94111

Assignee:

American Finance Group, Inc.
24 School Street
Boston, MA 02108

A description of the equipment covered by the Master Assignment and Assumption Agreement consists of 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive.

IV. The fourth document is a Memorandum of Acceptance Certificates, a secondary document, dated as of December 12, 1996. We request that the certified copy of this document be recorded under the C suffix of the recordation number assigned to the Railcar Lease Agreement.

The name and address of the party to the Memorandum of Acceptance Certificates is:

Assignee:

American Finance Group, Inc.
24 School Street
Boston, MA 02108

A description of the equipment covered by the Memorandum of Acceptance Certificates consists of nine 53' articulated five platform TOFC spine cars numbered CR 790079-790087, inclusive.

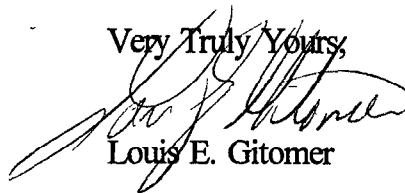
Honorable Vernon A. Williams
December 16, 1996
Page 4

A fee of \$88.00 is enclosed. Please return the originals to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the documents to appear in the index follows: (1) Railcar Lease Agreement between Railroad Technology Corporation, 447 Battery Street, San Francisco, CA 94111, and Consolidated Rail Corporation, 2001 Market Street, Room 25A, Philadelphia, PA 19101, covering 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive; (2) Amendment No. 1 to the Railcar Lease Agreement between Railroad Technology Corporation, 447 Battery Street, San Francisco, CA 94111, and Consolidated Rail Corporation, 2001 Market Street, Room 25A, Philadelphia, PA 19101, covering 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive; (3) Master Assignment and Assumption Agreement between Railroad Technology Corporation, 447 Battery Street, San Francisco, CA 94111, and American Finance Group, Inc., 24 School Street, Boston, MA 02108, covering 11 53' articulated five platform TOFC spine cars numbered CR 790079-790089, inclusive; and (4) Memorandum of Acceptance Certificates by American Finance Group, Inc., 24 School Street, Boston, MA 02108, covering nine 53' articulated five platform TOFC spine cars numbered CR 790079-790087, inclusive.

Very Truly Yours,



Louis E. Gitomer

Enclosures

20403-^B
1996-240 PM

MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS MASTER ASSIGNMENT AND ASSUMPTION AGREEMENT ("Agreement") is made as of November 26, 1996, by and between **AMERICAN FINANCE GROUP, INC.**, a Delaware corporation having a principal place of business at 24 School Street, 7th Floor, Boston, Massachusetts, 02108 ("Assignee"), and **RAILROAD TECHNOLOGY CORPORATION**, a California corporation having a principal place of business at 447 Battery Street, San Francisco, California, 94111 ("Assignor") (Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Railcar Lease Agreement described below)

Background.

Assignor, as lessor, has entered into the Railcar Lease Agreement dated as of June 20, 1996, as amended by Amendment No. 1 dated as of October 18, 1996, ("Railcar Lease") with Consolidated Rail Corporation, as lessee ("Lessee"), with respect to the leasing by Lessee of fifty-five (55) 53' Articulated Spine Cars (each a "Unit" as defined in the Railcar Lease) ("Equipment") subject to one or more Acceptance Certificates ("Acceptance Certificates") thereto (such Acceptance Certificates and the Railcar Lease solely as incorporated therein by reference hereinafter referred to as the "Lease")

Assignor now wishes to assign, and Assignee wishes to assume, all of Assignor's right, title and interest, duties and obligations in, to and under the Lease with respect to the leasing by Lessee of the Equipment, all on the terms and conditions hereinafter set forth

Agreement.

Now, therefore, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows

1. ASSIGNMENT OF LEASE

Assignor hereby assigns, transfers and sets over unto Assignee all of its right, title, interest, duties and obligations in, to and under the Lease between Assignor, as lessor, and Lessee with respect to the leasing by Lessee of the Equipment. Subject to Assignor's fulfillment of its obligations hereunder, Assignee hereby assumes all Assignor's right, title, interest, duties and obligations in, and to the Lease with respect to the leasing by Lessee of the Equipment. Upon the assumption of the Lease by Assignee and upon the execution by Assignor and Assignee of the documentation substantially in the form attached hereto or otherwise required hereunder ("Closing"), and upon the date thereof, ("November 26, 1996"), Assignee will pay to Assignor the purchase price as defined below

2. PURCHASE PRICE

The purchase price shall be payable to Assignor from Assignee on November 26, 1996. The purchase price shall be \$29,750.00 per Unit ("Purchase Price"). Such Purchase Price shall be payable in immediately available funds in the manner set forth by Assignor pursuant to a disbursement letter of even date herewith substantially in the form attached hereto as Schedule 1. All taxes in any way arising out of the transactions contemplated in this Agreement, including without limitation transfer taxes arising out of the assignment of the Lease, shall be solely for the account of Assignor.

3. REMARKETING AGREEMENT.

As a condition precedent to Closing hereunder, Assignor agrees to deliver to Assignee on November 26, 1996, a Remarketing Agreement substantially in the form attached hereto as Schedule 3

4. CONSENT OF LESSEE

As a condition precedent to Closing hereunder, Assignor agrees to deliver to Assignee on November 26, 1996, a Notice and Acknowledgment of Assignment of the Lease, executed by Lessee, substantially in the form attached hereto as Schedule 2

5. ADDITIONAL CONDITIONS PRECEDENT

A Assignor shall have delivered to Assignee one manually signed certified copy of the Railcar Lease marked "Original" (together with all schedules and attachments thereto, Acceptance Certificates, vendor invoices and specifications, all as may have been amended from time to time up to and including November 26, 1996) in substantially the form that has been presented to Assignee,

B Assignor shall have delivered to Assignee documentation reasonably supporting the validity and enforceability of Lessee's obligations under the Lease, which may include, without limitation a secretary or assistant secretary's certificate regarding incumbency and authorizing resolutions and an opinion of counsel,

C Assignor shall have delivered to Assignee documentation reasonably supporting the validity and enforceability of Assignor's obligations under this Agreement, which may include, without limitation a secretary or assistant secretary's certificate regarding incumbency and authorizing resolutions and an opinion of counsel,

D Assignor shall have delivered appropriate "Lessee/Lessor" UCC-1 financing statements from Lessee or terminations or assignments, as requested, with respect thereto, and any ICC recordations to be filed pursuant to Section 22 of the Lease,

E Lessee shall not, between the date hereof and November 26, 1996, have (i) ceased doing business as a going concern, or suffered a material adverse change in its financial or operating condition in the reasonable opinion of Assignee, (ii) made an assignment for the benefit of creditors, admitted in writing its inability to pay its debts as they mature or generally failed to pay its debts as they become due, (iii) initiated any voluntary bankruptcy or insolvency proceeding, (iv) failed to obtain the discharge of any bankruptcy or insolvency proceeding initiated against it by others within 60 days of the date such proceedings were initiated, or (v) requested or consented to the appointment of a trustee or receiver with respect to itself or for a substantial part of Lessee's property, and

F Assignor shall have performed and complied in all material respects with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing

6. REPRESENTATIONS AND WARRANTIES.

(A) Representations and Warranties of Assignor

Assignor, in order to induce Assignee to enter into this Agreement, hereby represents and warrants to Assignee that

(1) Assignor is a corporation duly organized, validly existing and in good standing under the laws of the State of California with adequate power to enter into each of this Agreement, the Lease and each instrument, document or agreement attached or otherwise related hereto ("Transfer Documents") to which it is a party and is duly qualified to do business in every jurisdiction in which its failure to so qualify would have a material adverse effect upon the business or property of Assignor

(2) The Transfer Documents have been duly authorized, executed and delivered by Assignor, and assuming their due authorization, execution and delivery by each of the other parties thereto, constitute valid, legal and binding agreements, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights

(3) The entering into and performance by Assignor of the Transfer Documents does not violate any judgment, order, law or regulation applicable to Assignor or any provision of Assignor's Articles of Incorporation or By-laws or result in any breach of, or constitute a default under any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Assignor is a party. No approval, consent or withholding of objection is required from any governmental authority with respect to the entering into or performance by Assignor under the Transfer Documents

(4) Assignor is not in default under any indenture, mortgage, loan agreement or other instrument, in each case of a material nature, to which the Assignor is a party, nor is Assignor in violation of any law, order, injunction, decree, rule or regulation applicable to Assignor of any court or administrative body, which default or violation materially and adversely affects the business, property or assets, operations or condition, financial or otherwise, of Assignor. No Event of Default, as defined in the Lease (or an event which, with the passage of time or the giving of notice, or both, would constitute an Event of Default) would occur upon the execution and delivery of the Transfer Documents

(5) There is no litigation, proceedings or investigation pending or, to the knowledge of Assignor, threatened against or involving Assignor or its assets or properties that, individually or in the aggregate, if adversely determined, would restrain, enjoin or materially frustrate the consummation by Assignor of the transactions contemplated herein, the performance of the obligations contained herein or the enjoyment of the benefits contained herein. There are no outstanding judgments, decrees, orders of any courts or any governmental authority against Assignor or affecting Assignor's ability to assign its rights as lessor under the Lease

(6) No approval, consent or withholding of objection is required from any governmental authority with respect to the entering into or performance by Assignor of the Transfer Documents

(7) The Railcar Lease, the Acceptance Certificates and this Agreement delivered to Assignee in connection herewith are true, correct and complete as of the date hereof and such documents delivered to Assignee contain the entire agreement made between Assignor and Lessee in connection with the lease of the Equipment. Assignor has not made any assignment of the Lease

(8) (i) the Lease was executed by officers of the Lessee who had authority to execute the same, (ii) the Lease is valid and binding and enforceable in accordance with its terms, (iii) the Lessee has accepted the Equipment for lease and is thereby bound by the terms and conditions of the Lease, (iv) the rents payable under the Lease are not subject to any defenses, set-offs or counterclaims; (v) no Event of Default has occurred and is continuing under the Lease, and (vi) the Equipment is subject to a remarketing and residual value sharing agreement of even date herewith

(9) Of the only duplicate originals of the Lease, one has been delivered to the Lessee, two to the Assignor and any others thereof will be delivered to the Assignee herewith

(10) Assignor has taken or will take no action which may have adverse tax consequences to Assignee

(11) So long as no breach or Event of Default, or event which, with the giving of notice or the passage of time or both, would constitute an Event of Default, has occurred and is continuing under the Lease, Assignor shall warrant Lessee's right of quiet use and possession of the Equipment thereunder against all persons claiming by or through Assignor

(12) Beginning with and including the payment of Basic Rent due on the first day of the month following the acceptance of the last Unit under the Lease there are 60 rental payments of \$1,368.75 per Unit due Assignee from Lessee. There has been no prepayment of any payment of Basic Rent or any other sum under the Lease not yet due and payable

(B) Representations and Warranties of Assignee

(1) Assignee is a corporation duly organized and validly existing under the laws of the State of Delaware with adequate power to enter into the Transfer Documents to which it is a party and is duly qualified to do business in every jurisdiction in which its failure to so qualify would have a material adverse effect upon the business or property of Assignee

(2) The Transfer Documents executed by Assignee have been duly authorized, executed and delivered by Assignee and, assuming their due authorization, execution and delivery by each of the other parties thereto, constitutes a valid, legal and binding agreement, enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights

(3) The entering into and performance by Assignee of the Transfer Documents executed by Assignee does not violate any judgment, order, law or regulation applicable to Assignee or any provision of Assignee's Articles of Organization or By-laws or result in any breach of, or constitute a default under any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which Assignee is a party

(4) There is no litigation, proceedings or investigation pending or, to the knowledge of Assignee, threatened against or involving Assignee or its assets or properties that, individually or in the aggregate, if adversely determined, would restrain, enjoin or materially frustrate the consummation by Assignee of the transactions contemplated herein, the performance of the obligations contained herein or the enjoyment of the benefits contained herein. There are no outstanding judgments, decrees, orders of any courts or any governmental authority against Assignee or affecting Assignee's ability to acquire the Equipment

(5) No approval, consent or withholding of objection is required from any governmental authority with respect to the entering into or performance by Assignee of the Transfer Documents

(6) So long as there is no Event of Default under the Lease, Assignee shall not disturb the peaceful and quiet use and enjoyment of the Equipment by Lessee

7. INDEMNITY

Assignee hereby agrees to indemnify, defend and hold Assignor, its officers, directors, shareholders, partners, employees, Assignors, trustees, beneficial Assignees, executive committee members, successors and assigns (collectively, the "Indemnitees") harmless from and against any and all claims, losses, damages or liabilities suffered or incurred by Assignor resulting or arising from the breach, violation or untruth of any of the terms, conditions, representations or warranties binding upon or made by Assignee contained in this Agreement or any instrument, document or agreement attached hereto or otherwise related hereto to which Assignee is a party, except any such claims, losses, damages or liabilities resulting from Assignor's negligence or misconduct. Assignor hereby agrees to indemnify, defend and hold Assignee and its Indemnitees harmless from and against any and all claims, losses, damages or liabilities suffered or incurred by Assignee resulting or arising from the breach, violation or untruth of any of the terms, conditions, representations or warranties binding upon or made by Assignor contained in this Agreement or any instrument, document or agreement attached hereto or otherwise related hereto to which Assignor is a party, except any such claims, losses, damages or liabilities resulting from Assignee's negligence or misconduct

8. SATISFACTION OF CONDITIONS.

Each party agrees that payment of the Purchase Price pursuant to Section 2 hereof shall constitute, without further action by either party, conclusive evidence, as between Assignor and Assignee that the conditions set forth in Sections 3 and 4 hereof have been complied with in a manner satisfactory to each party or waived by such party, as applicable, unless specifically noted herein or stated under separate cover in a letter from one party with written acceptance from the other party

9. MISCELLANEOUS.

A This Agreement, together with Schedules 1, 2, and 3 constitute the entire agreement between Assignor and Assignee with respect to the proposed assumption and assignment of the Lease

B This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns

C This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, including all matters of construction, validity, performance and enforcement

D The titles appearing in this Agreement and in any other documents relating to this transaction are inserted only as a matter of convenience and in no way define, limit or describe the scope or intent of such sections or articles nor in any way affect this agreement or any other documents relating to this transaction

E The parties hereto agree to execute and deliver, or cause to be executed and delivered, such further instruments or documents and take such other action as may be reasonably required effectively to carry out the transactions contemplated herein

F The parties hereto covenant and agree to promptly remit to the other party any payments incorrectly received by such party after November 26, 1996

G This Agreement may be amended or rescinded only by written instrument signed by all the parties hereto

H This Agreement may not be assigned by either party except with the written consent of the other party

I. Notwithstanding any other conditions contained herein, it is hereby agreed that the representations, warranties, indemnities and assurances of each party hereto shall survive the expiration or termination of this Agreement and inure to the benefit of and be binding upon each of the parties hereto and their respective successors and assigns

J All notices and communications delivered hereunder or with respect hereto shall be in writing and shall be forwarded by certified mail, return receipt requested, postage prepaid, or personally delivered, and addressed to Assignor and Assignee at the addresses set forth below or to such other address as shall be provided to the parties

American Finance Group, Inc
24 School Street, 7th Floor
Boston, Massachusetts 02108
Attention Operations

Railroad Technology Corporation
447 Battery Street
San Francisco, CA 94111
Attn Executive Vice President

K Whether or not the transaction contemplated hereby is consummated, each of the Assignor and Assignee shall bear and be responsible for its own costs and expenses incurred in connection with the negotiation, preparation, execution and delivery of this Agreement, and any documents delivered pursuant or related hereto, and shall not have any right of reimbursement or indemnity for such costs and expenses as against each other

L. This Agreement may be executed in counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same agreement

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and do each hereby warrant and represent that their respective signatures appearing below have been and are on the date of this Agreement, and will be on November 26, 1996, duly authorized by all necessary and appropriate action to execute this Agreement

ASSIGNOR:

RAILROAD TECHNOLOGY CORPORATION

By: JAM. Ken

Title: Exec. V.P.

ASSIGNEE:

AMERICAN FINANCE GROUP, INC.

By: _____

Title: Vice President

ACKNOWLEDGMENT

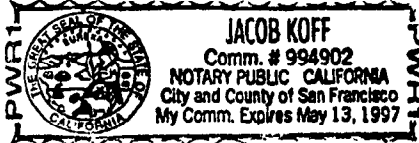
State of California)
) ss
County of San Francisco)

On this 13th day of December, 1996, before me Jacob Koff personally appeared Robert M. Ness, personally known to me to be the person whose name is subscribed to the within instrument, who being by me duly sworn, did say that he is the Executive Vice President of Railroad Technology Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, that he acknowledged that the execution of the foregoing Master assignment and Assumption Agreement was the free act and deed of the corporation.



Notary Public

My commission expires:



IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and do each hereby warrant and represent that their respective signatures appearing below have been and are on the date of this Agreement, and will be on November 26, 1996, duly authorized by all necessary and appropriate action to execute this Agreement

ASSIGNOR:

RAILROAD TECHNOLOGY CORPORATION

By: W. M. Ken

Title: Exec V.P.

ASSIGNEE:

AMERICAN FINANCE GROUP, INC.

By: [Signature]

Title: Vice President

SCHEDULE 1

November 26, 1996

American Finance Group, Inc
24 School Street, 7th Floor
Boston, Massachusetts 02108
ATTN Vice President - Operations

RE: Instructions for Disbursement of Proceeds of Assignment by Railroad Technology Corporation ("Assignor") and Assumption by American Finance Group, Inc. ("Assignee") of the Acceptance Certificates dated as of _____, respectively, to the Railcar Lease Agreement dated as of June 20, 1996, as amended by Amendment No. 1 dated October 18, 1996, between Assignor, as lessor, and Consolidated Rail Corporation, as lessee ("Lessee") and the equipment leased thereunder.

Ladies and Gentlemen.

The proceeds of the above-referenced assignment payable by American Finance Group, Inc are \$743,750.00, payable in immediately available funds as the Purchase Price in the manner set forth below. Please disburse funds directly to the undersigned as follows:

AMOUNT

\$743,750.00

WIRE TRANSFER

Bank.
ABA #
Acct #
Ref
ATTN

TOTAL: \$743,750.00

Very truly yours,

RAILROAD TECHNOLOGY CORPORATION

By _____

Title _____

SCHEDULE 2

NOTICE AND ACKNOWLEDGEMENT OF ASSIGNMENT

American Finance Group, Inc
24 School Street, 7th Floor
Boston, Massachusetts 02108
ATTN: Vice President, Operations

Re Railcar Lease Agreement dated June 20, 1996, as amended by Amendment No 1 dated October 18, 1996 (the "Equipment Lease"), between Railroad Technology Corporation, as lessor, and Consolidated Rail Corporation, as lessee

Dear Sir or Madam.

This will acknowledge that Consolidated Rail Corporation ("Lessee") has been advised by Railroad Technology Corporation ("Lessor"), under the Equipment Lease that Lessor intends to assign to American Finance Group, Inc ("Assignee"), all its right, title, interest, duties and obligations, as lessor under the Equipment Lease with respect to fifty-five (55) 53' Articulated Spine Cars (each a "Unit", collectively "Units") accepted for Lease under the Acceptance Certificates to the Equipment Lease ("Acceptance Certificates") (such Acceptance Certificates and the Equipment Lease solely as incorporated therein by reference hereinafter referred to as the "Lease") (collectively, the "Equipment") all as of the date of this letter Lessee hereby consents to the assignment to Assignee of all the Lessor's interest in the Equipment Lease with respect to the Equipment, and agrees to recognize Assignee as the Assignee of the Equipment and as the lessor under the Equipment Lease as fully as if Assignee were specifically named as Lessor therein Lessee hereby acknowledges and agrees that

(i) The Equipment Lease, Amendment No 1 and this Notice and Acknowledgment of Assignment constitute the entire agreement between Lessee and Lessor relating to the leasing of the Equipment. The Equipment Lease and Amendment No 1 are in full force and effect, the term for the Equipment covered thereby commenced on the dates set forth in the Acceptance Certificates pertaining thereto and such Equipment has been accepted by Lessee, without qualification for lease pursuant thereto,

(ii) the Lessee's obligation to pay all Basic Rent and other amounts due or to become due under the Equipment Lease is unconditional as to Assignee, and Lessee will pay all such amounts when due, as directed by Assignee without any right of setoff, defense, claim or counterclaim other than as provided for in Sections 4(e) and 20 to the contrary,

(iii) beginning with the payment of Basic Rent due on January 1, 1997 in the amount of \$15,056 25 and thereafter 59 consecutive monthly installments in the amount of \$15,056 25, shall be paid to American Finance Group, Inc , P O Box 60581, Charlotte, NC 28260 or such other bank, account or address as Assignee designates in writing Lessee hereby represents that there has been no prepayment of rents not yet due,

- (iv) Assignee shall have and be entitled to exercise any and all discretions, rights and powers of Lessor under the Equipment Lease, but Assignee shall not be obligated to perform any of the obligations of Lessor under the Equipment Lease other than Lessor's obligation not to disturb the quiet and peaceful possession of the Equipment so long as Lessee is no Event of Default has occurred,
- (v) any notice, demand or other communications which Lessee is required or permitted to give Lessor under the Equipment shall be sent to the Assignee at its address first set forth above,
- (vi) all representations, warranties, authorizations and certifications of Lessee made in the Equipment Lease are true and correct as of the date hereof and, together with all indemnities and covenants of Lessee therein, are made for the benefit of, and may be relied upon, by Assignee;
- (vii) Lessee knows of no assignment relating to the Equipment Lease other than this assignment to Assignee;
- (viii) Lessee will not permit the Equipment Lease or any of the provisions contained therein to be amended or waived without the prior written consent of Assignee Lessee confirms that no amendments or waivers have been agreed to other than Amendment No 1 dated October 18, 1996,
- (ix) Lessee further agrees that without Assignee's prior written consent, it will not, except as may be permitted by the terms of the Equipment Lease or the Acceptance Certificates, (a) assign any interest in the Equipment Lease or the Equipment or sublease any item of Equipment, or (b) terminate the Equipment Lease;

(x) Lessee represents and warrants that no Event of Default, as defined in the Equipment Lease (or an event which, with the passage of time or the giving of notice, or both, would constitute an Event of Default) has occurred under the Equipment Lease,

(xi) agrees to accept the instructions of the Assignee in the place and stead of Lessor without confirmation from or notice to Lessor and that, if conflicting instructions are received from the Lessor and the Assignee, it will honor the instructions received from the Assignee,

The parties hereto agree that this Notice and Acknowledgment of Assignment may be executed in counterparts

IN WITNESS WHEREOF, the parties have executed this Notice and Acknowledgment of Assignment as of the 26th day of November, 1996

ACKNOWLEDGED AND AGREED:

RAILROAD TECHNOLOGY CORPORATION
LESSOR and ASSIGNOR

AMERICAN FINANCE GROUP, INC.
ASSIGNEE

By. _____

By _____

Name _____

Name _____

Title. _____

Title. _____

CONSOLIDATED RAIL CORPORATION
LESSEE

By _____

Name _____

Title. _____

SCHEDULE 3

REMARKETING AGREEMENT

This Remarketing Agreement ("Agreement") dated as of November 26, 1996 is made by and between **RAILROAD TECHNOLOGY CORPORATION**, a California corporation having its principal place of business at 447 Battery Street, San Francisco, California, 94111 ("Assignor"), and **AMERICAN FINANCE GROUP, INC.**, a Delaware corporation, having its principal place of business at 24 School Street, 7th Floor, Boston, Massachusetts, 02108 ("Assignee")

WHEREAS, Assignee owns one hundred (100) TOFC articulated spine cars ("Phase I Cars") subject to that certain Railcar Lease Agreement between Assignor, as lessor, and Consolidated Rail Corporation, as lessee ("Conrail"), dated as of April 25, 1995 ("1995 Conrail Lease"), Assignor's rights, title and interest therein having been assigned to and assumed by Assignee pursuant to that certain Assignment and Assumption Agreement dated as of January 3, 1996 between Assignor and Assignee ("January A&A"),

WHEREAS, Assignee is purchasing fifty-five (55) TOFC articulated spine cars ("Phase II Cars") (the Phase I Cars and the Phase II Cars, individually or collectively referred to herein as the "Equipment") subject to that certain Railcar Lease Agreement between Assignor, as lessor, and Conrail, as lessee, dated as of June 20, 1996 ("1996 Conrail Lease") (the 1995 Conrail Lease and the 1996 Conrail Lease, individually or collectively referred to herein as the "Lease"), Assignor's rights, title and interest therein having been assigned to and assumed by Assignee pursuant to that certain Assignment and Assumption Agreement dated as of November 26, 1996 between Assignor and Assignee ("November A&A") (the January A&A and the November A&A hereinafter collectively referred to as the "A&A's"),

WHEREAS, Assignee desires to engage Assignor on a non-exclusive basis to remarket the Equipment, and Assignor accepts such appointment under the terms and conditions set forth below

NOW THEREFORE, Assignee and Assignor agree as follows

1 Appointment Assignee hereby appoints Assignor on a non-exclusive basis to remarket the Equipment for Assignee, and Assignor accepts the appointment and agrees to use reasonable efforts to perform certain remarketing services as more fully described below. Remarketing shall include the sale or re-release of Equipment to either Conrail, its successors or authorized sublessees or assigns then using the Equipment ("Original Lessee") or to a new user ("New Users" and together with Original Lessee referred to as "Users")

2 Assignee's Notification to Assignor to Commence Remarketing At any time prior to the expiration of the 1995 Conrail Lease or the 1996 Conrail Lease, Assignee may notify Assignor to commence the remarketing of the Phase I Cars or the Phase II Cars, as the case may be ("Remarketing Commencement Date"), pursuant to the terms of this Agreement. Thereafter, so long as Assignee owns or manages the Equipment, it may from time to time notify Assignor to recommence remarketing of the Equipment

3 Assignee's Services

(a) Assignor shall, in cooperation with, knowledge by and consent of Assignee, use its reasonable efforts to sell, release, re-release or otherwise dispose of the Equipment, including, but not limited to, rendering any or all of the following services

- (i) Analysis of the Leases or successor leases, to determine the respective rights and duties of the parties,
- (ii) Performance of market research and fair market value studies,
- (iii) Development and execution of disposition or divestiture strategies,
- (iv) Conducting lessee and marketplace negotiations,
- (v) Administration of closing/funding in connection with a final disposition or divestiture of the Equipment,
- (vi) Performance of all necessary administrative services in connection with a final disposition or divestiture of the Equipment,

(b) Assignor shall pay all costs and expenses incident to the divestiture or disposition of the Equipment pursuant to this Agreement except for (i) such costs and expenses for which Conrail is responsible under the Leases and (ii) the cost of any federal, state, local, foreign or other fees, taxes, penalties, or other charges which may be levied or imposed incident to or in connection with the sale or other disposition of the Equipment or consummation of any other transactions contemplated hereby. Assignee agrees to reimburse Assignor for all reasonable expenses incurred by Assignor in performing the services set forth below in the remarketing of the Equipment ("Remarketing Expenses"). Remarketing Expenses for the cars subject to the 1995 Conrail Lease shall be prorated to reflect cars as owned by Assignor and Assignee. Assignor shall obtain Assignee's prior written approval for Remarketing Expenses, which approval shall not be unreasonably withheld or delayed. Remarketing Expenses include, but are not limited to, commercially reasonable costs of appraisal, transportation, reconfiguration, refurbishment, storage, installation, deinstallation, qualification of the Equipment for the Manufacturer's standard maintenance agreement, insurance, travel and other reasonable expenses approved in advance in writing by Assignee arising from the sale or re-lease of the Equipment. Assignor shall bill Assignee monthly for Remarketing Expenses which Assignee agrees to promptly pay. Assignor agrees to arrange for these services at commercially reasonable prices and upon commercially reasonable terms and conditions approved in advance in writing by Assignee.

4 Assignor's Compensation As compensation for Assignor's services as non-exclusive remarketing agent for Assignee, Assignee agrees to pay Assignor a fee equal to three percent (3%) of the gross amount of all remarketing proceeds ("Remarketing Proceeds") received by Assignee with respect to any renewal, release, re-release, sale or other disposition of the Phase I Cars or Phase II Cars after, for each such group of cars, Assignee has received the gross amount of ninety-eight percent (98%) of the Purchase Price (as defined in each respective A&A) ("Remarketing Fee").

The Remarketing Fee shall be distributed as follows to Assignee and Assignor in accordance with the Residual Value Proceeds sharing agreement included in the Schedules to this Agreement. Assignee shall not be required to make distributions to Assignor except to the extent Remarketing Proceeds have been received in cash. Such Remarketing Fee shall be due Assignor for either the Phase I Cars or the Phase II Cars, regardless of by whose efforts Remarketing Proceeds are realized.

5 Assignor's Right of First Refusal Assignor shall have the right of first refusal on the Phase I Cars

6 Notices All notices shall be sent to the parties hereto by certified or registered mail, postage prepaid, at the following addresses

American Finance Group, Inc.
24 School Street, 7th Floor
Boston, MA 02108
ATTN: Operations

Railroad Technology Corporation
447 Battery Street
San Francisco, CA 94111
ATTN: Mr. Robert M. Ness
Executive Vice President

or to such other address as either party may from time to time designate in writing to the other party

7 Successors and Assigns This Agreement shall be binding on the successors and assigns of the parties hereto

This Remarketing Agreement shall be effective as of November 26, 1996

AMERICAN FINANCE GROUP, INC.
Assignee

By _____

Title _____

RAILROAD TECHNOLOGY CORPORATION
Assignor

By _____

Title _____

Schedule 1
dated as of November 26, 1996
to Remarketing Agreement dated November 26, 1996
between Railroad Technology Corporation, as Assignor and
American Finance Group, Inc as Assignee

Lessee	Consolidated Rail Corporation
Equipment	one hundred (100) TOFC articulated spine cars (Phase I Cars)
Equipment Location	Philadelphia, Pennsylvania
Purchaser's Equipment Cost	\$2,535,000 00
Residual Value Sharing	After Purchaser has received 98% of its Purchase Price, (as defined in Section 2 of the January A&A), Assignor shall receive 3% of the Remarketing Proceeds

All of the terms and conditions set forth in the Remarketing Agreement are incorporated herein by reference as if the same had been set forth herein in full

ASSIGNEE:
AMERICAN FINANCE GROUP, INC

ASSIGNOR:
RAILROAD TECHNOLOGY CORPORATION

By _____

Title Vice President

By _____

Title _____

Schedule 2
dated as of November 26, 1996
to Remarketing Agreement dated November 26, 1996
between Railroad Technology Corporation, as Assignor and
American Finance Group, Inc as Assignee

Lessee	Consolidated Rail Corporation
Equipment	fifty-five (55) TOFC articulated spine cars (Phase II Cars)
Equipment Location	Philadelphia, Pennsylvania
Purchaser's Equipment Cost	\$1,636,250 00
Residual Value Sharing	After Purchaser has received 98% of its Purchase Price, (as defined in Section 2 of the November A&A), Assignor shall receive 3% of the Remarketing Proceeds

All of the terms and conditions set forth in the Remarketing Agreement are incorporated herein by reference as if the same had been set forth herein in full

ASSIGNEE:
AMERICAN FINANCE GROUP, INC

ASSIGNOR:
RAILROAD TECHNOLOGY CORPORATION

By _____

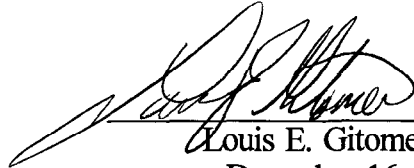
By _____

Title Vice President

Title _____

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Master Assignment and Assumption Agreement, dated as of November 26, 1996, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
December 16, 1996